



Texas Department of Motor Vehicles

LESSOR/LEASE FACILITATOR LICENSE APPLICATION INFORMATION

PLEASE READ ALL OF THIS INFORMATION CAREFULLY BEFORE COMPLETING AND MAILING YOUR APPLICATION. INCOMPLETE OR INACCURATE INFORMATION MAY DELAY ISSUANCE OF YOUR LICENSE.

ALL LICENSES ARE ISSUED FOR A TERM OF TWO YEARS.

LESSOR LICENSE. This license is required of a person who, under the terms of a lease agreement in excess of 180 days, gives another person the right to possess and use a motor vehicle that is titled in the name of the lessor. The initial fee for a lessor license is \$350.00. The renewal fee depends on the number of motor vehicles leased in the preceding calendar year and ranges from \$350.00 to \$1,500.00.

LEASE FACILITATOR LICENSE. This license allows a person to hold himself or herself out to be a leasing agent or leasing company. This person solicits someone to enter a contract of agreement to lease a vehicle. A lease facilitator never has the leased vehicle titled in his or her name but merely acts as an agent between the seller of a vehicle and the lessor in procuring a lessee with a lease contract. A lease facilitator by definition, is not the lessor or owner of a vehicle, but rather someone who puts the lessor, selling dealer and lessee (buyer) together. The initial and renewal fee for this license is \$750.00.

A lessor licensee does not need to have a lease facilitator license to facilitate leases for themselves. The lessor license includes the ability to facilitate its own leases. However, if the lessor facilitates leases between lessees and *other* lessors, they would need a lease facilitator license in addition to their lessor license.

EXEMPTIONS TO OBTAINING A LESSOR OR LEASE FACILITATOR LICENSE:

A person is not required to obtain a license to act as a vehicle lessor or a vehicle lease facilitator if the person is:

- (1) a state or federally chartered financial institution or a regulated subsidiary of the financial institution; or
- (2) a trust or other entity that owns an interest in a vehicle lease and the vehicle that is the subject of the lease, if the lease covering the vehicle is initiated, managed, serviced, and administered by a licensed vehicle lessor.

A franchised dealer is not required to have a vehicle lessor or vehicle lease facilitator license to engage in any capacity in the business of leasing a motor vehicle that the dealer owns and is licensed under this chapter to sell.

DEALERS MAY NOT USE THE WORD "LEASE" OR "LEASING" OR ANY VARIATION THEREOF IN THEIR NAME UNLESS THEY QUALIFY FOR AND OBTAIN, IF APPLICABLE, A LESSOR OR LEASE FACILITATOR LICENSE.

IMPORTANT NOTICE TO APPLICANTS

THE FOLLOWING PAGES TAKE YOU STEP-BY-STEP THROUGH THE APPLICATION. PLEASE READ CAREFULLY BEFORE COMPLETING THE APPLICATION AND ATTACHMENTS.

UNLESS OTHERWISE SPECIFIED, YOU MAY SUBMIT COPIES INSTEAD OF ORIGINALS.

MAKE SURE THAT EACH DOCUMENT, PHOTOGRAPH, ETC. HAS THE BUSINESS NAME AND DBA ON IT.

THE APPLICATION SHOULD BE AS COMPLETE AS POSSIBLE BEFORE YOU SUBMIT IT. ERRORS OR MISSING DOCUMENTS MAY DELAY PROCESSING.

1.A. BUSINESS NAME: Enter ONE of the following:

- a) Your name, if applying as a sole proprietor.
- b) The partnership name or names of all partners, if applying as a partnership.
- c) The name of the corporation, LLC, etc. if applying as any other type of entity.

1.B. ASSUMED NAME/DBA (If different from above): Enter any assumed name(s) (also called DBA, for "Doing Business As") that you will be using and attach copies of any assumed name certificates for those names.

- a) The assumed name(s) must be registered with the proper authority.
- b) In Texas, the proper authority for corporations, LLCs, LPs and LLPs is the Secretary of State. ALL entities must register with their County Clerk.
- c) The assumed name you put on this application must exactly match the assumed name as it is registered.

1.C. PHYSICAL ADDRESS: Enter the street number and name, the city, the zip code, and the county. Check the appropriate box to tell us whether you lease, sublease, or own the property at this physical address. Lease facilitators must obtain a separate license for each business location. Lessors are required to obtain a license for their primary locations.

1.D. MAILING ADDRESS: Enter your mailing address if it is different from your physical address. This is the address we will use to mail correspondence, licenses, etc. If this application is for a new facility where mail cannot currently be received, please provide a temporary mailing address we can send correspondence concerning this application.

1.E. TELEPHONE/FAX NUMBER: Enter the telephone number and fax number you will use for your licensed location. A working LAND LINE (not cellular) telephone must be listed in the name under which the applicant does business. If this application is for a new facility without current phone service, please provide temporary phone numbers.

1.F. EMAIL ADDRESS: Enter an email address if you would like to use this as a form of delivery. Email addresses are considered confidential. (Unless authorization to release is provided to the Motor Vehicle Division).

1.G. TAX ID #/EIN: Enter the IRS-assigned Taxpayer Identification Number (TIN) or Employer Identification Number (EIN).

1.H. CONTACT NAME AND PHONE NUMBER: Enter the name and phone number of a person we can communicate with concerning this application.

2. CURRENT GENERAL DISTINGUISHING NUMBER (P NUMBER) AND FRANCHISE LICENSE NUMBER: Enter any license numbers you currently have.

3. COMPLETE THE REST OF THE APPLICATION AND ATTACHED ALL REQUIRED DOCUMENTATION. Detailed requirements are contained in this packet and on the application form. All items should be completed or marked "N/A" (not applicable). If marked "N/A", describe why this requirement is not applicable.

4. FEES (CHECK ONLY ONE): (NOTE: FEES ARE NON-REFUNDABLE)

- a) Attach a check, money order, or credit card form for the correct fee (\$350 for a lessor license; \$750 for a lease facilitator license).
- b) Checks and money orders should be made payable to the Texas Department of Motor Vehicles. A fee of \$1.00 will be added to each credit card transaction.
- c) If paying by check or money order, do not bring your application to MVD. Applications with checks or money orders must first go to PO Box 13044 for processing of the fees.
- d) If you wish to overnight your application, be aware that only the US Postal Service delivers overnight mail to post office boxes.
- e) Make sure you mail your application to the correct address for the type of payment you are making. Failure to do so will result in processing delays.

5 – 8. YES/NO QUESTIONS: All questions must be answered. Provide detailed explanations of any “Yes” answers in full on separate sheets.

9. ATTACHMENTS TO THE APPLICATION:

A. OWNERSHIP AND MANAGEMENT INFORMATION / POWER OF ATTORNEY DESIGNATING AGENT FOR SERVICE – Use included Form MVD-LF602 for Lessors; Form MVD-LF601 for Lease Facilitators.

- 1) Answer the question pertaining to felony convictions (and charges) truthfully.
 - (a) Prior convictions may not prevent you from obtaining a license. Answering this question falsely may result in denial of your license and civil penalties.
 - (b) MVD may investigate applicants answering “Yes” to this question. This investigation may add three to four weeks to your processing time.
 - (c) You must attach copies of all final court judgments for any convictions.
- 2) Complete the front and back of the form for the following:
 - (a) **OWNERS:** list all parties with any ownership interest in the applicant (this includes sole proprietors).
 - (1) If any ownership interest is held by a business entity (corporation, LLC, LP, etc.), submit the information listed on the form for each business entity until only individuals are listed as owners. In this instance, you should complete a separate form for each business entity.
 - (2) If any business entity with ownership interest is publicly held, indicate that on the form. Owners of publicly held businesses (shareholders) need not be listed, but the officers, directors, etc. must be.
 - (b) **PARTNERSHIPS:** list all partners and designate the managing partner.
 - (c) **CORPORATIONS:** list all corporate officers and directors.
 - (d) **LIMITED LIABILITY COMPANIES:** list all LLC managers and members.
 - (e) **LIMITED PARTNERSHIPS:** list the general partner(s) & the limited partner(s).
- 3) **SPECIFIC INFORMATION:**
 - (a) **Name of Person or Business:** Enter the first name, middle initial, and last name for individuals; list the business name or assumed name of any business entities.
 - (b) **Title:** Enter the title. Examples are: President; CEO; Owner; Partner; General Partner; Member; etc.
 - (c) **% of Ownership:** For all individuals and businesses listed, enter the percentage of ownership. If the percentage is zero, enter zero. OWNERSHIP PERCENTAGES MUST TOTAL 100%.
 - (d) **Date of Birth:** for individuals only.
 - (e) **Driver's License # and State:** enter the driver's license number and issuing state. If the individual does not have a driver's license, enter “NONE”. If the driver's license was issued in a foreign country, provide that information.
 - (f) **SSN / TIN / EIN:** enter the Social Security Number, Taxpayer Identification Number, or Employer Identification Number, as applicable. If any individual does not have an SSN, attach a separate sheet with other identifying data for the individual.
 - (g) **Residence Address:** If required, enter the home address for individuals or the business address if this is a business.
 - (h) **Home Phone:** If required, enter the home phone number for individuals or the business phone number if this is a business.
 - (i) **If this is a business, is it PUBLICLY TRADED?** If the answer is yes, owners do not need to be listed, but officers, directors, partners, managers, or members (depending on the type of business entity)

must be.

B. ASSUMED NAME CERTIFICATES: Provide documentation that you have registered your assumed name with the proper authority.

- 1) Corporations/Limited Liability Companies/Limited Partnerships/Registered Limited Liability Partnerships: proper authority for registration of assumed names is the Secretary of State (or, outside of Texas, the proper authority in the appropriate state). **YOU MUST ALSO REGISTER THE NAME WITH THE COUNTY CLERK** but MVD does not require the certificate from the county.
- 2) For other applicants, proper authority is the County Clerk.

C. CERTIFICATE OF INCORPORATION, ORGANIZATION, OR PARTNERSHIP: Attach these if applicable. We do not need copies of your corporate charter. Corporations are not required to submit a certificate of authority to operate in Texas.

D. FINANCIAL STATEMENT:

- 1) List all assets and liabilities.
- 2) Sole proprietors may list personal assets and liabilities; all others must list those of the business.
- 3) A financial statement is required for the applicant entity, even if this is a new business.

E. SUMMARIES OF BUSINESS BACKGROUND AND EXPERIENCE: Cover the last eight years for each of the principal owners, the principal operator, and the general manager.

F. CURRENT LEASE OR OWNERSHIP DOCUMENTS FOR THE PROPERTY: The licensed location must be owned or leased by the applicant for a continuous term of at least two years from the date of the application. Attach one of the following:

- 1) Lease: We do not need the entire lease. You should attach only those pages of a current lease that show:
 - a. The physical address.
 - b. The applicant as tenant or lessee.
 - c. The term of the lease (must coincide with the term of the license, not month-to-month). Must include a beginning date and ending date.
 - d. The signatures of the tenant (lessee) and landlord (lessor).
 - e. If you own the property and lease the property to the applicant entity, provide proof of property ownership.
 - f. If you are subleasing, provide the property owner's consent to the sublease. This may be a part of the lease, or you may need to get a separate document from the property owner. Also provide the original lease.
- 2) A current property tax receipt showing the physical address and applicant's name.
- 3) A copy of the property deed in the applicant's name, properly identifying the physical address of the property. The deed must be registered with the county.

If your documentation describes your property by lot/block number, attach a statement signed by the applicant stating that the property description on the document is the same as the address of the licensed location.

G. PHOTOGRAPHS: The photographs you provide must allow us to verify that your establishment meets the requirements for an established and permanent place of business.

- 1) Overall appearance of the building:
 - a. Stand far enough away to include the entire premises in the photo. If necessary, take several photos.
 - b. Portable buildings may be acceptable as office structures. If mounted on wheels, the wheels must not be visible.
- 2) Office areas where sales are finalized (at least one desk, two chairs, a telephone, and a filing cabinet).
- 3) Signage:
 - a. The name on the sign must match the assumed name or name of the business if there is no DBA.
 - b. If the sign is located outdoors, it must have letters at least 6 inches high. The only exception to this requirement is when local zoning laws do not allow it; if this is the case, explain on a separate sheet and attach a copy of the appropriate law or ordinance. Building owner or management rules are not a valid exception.

c. The sign must be permanently mounted.

- 4) Business hours: The sign showing the business hours must be posted at the main entrance of the office where it is visible to the public.

H. VEHICLE LEASE CONTRACTS: Attach a sample (blank) copy(s) of all agreements between the lessor or lease facilitator and the lessee used by the applicant.

I. LESSOR APPLICANTS: Attach the following:

- 1) A list, including names and addresses, of all lease facilitators with whom applicant conducts or intends to conduct business. If you do not use lease facilitators, you must state that.
- 2) A copy of each signed agreement between applicant and lease facilitator(s), disclosing its terms. You must provide an agreement with each lease facilitator with whom you conduct or intend to conduct business. If you do not use lease facilitators, you must state that.
- 3) Disclosure of fees paid to any lease facilitator(s). If you do not use lease facilitators, you must state that.
- 4) A list of all other satellite offices that conduct business in the State of Texas, whether or not located in Texas. Include the address, phone number, and name of a contact person for each location. If applicant has no other offices in addition to the primary location listed on the front of the applicant, then you must state that.

J. LEASE FACILITATOR APPLICANTS: Attach the following:

- 1) A list, including names and addresses, of all lessors with whom applicant conducts or intends to conduct business.
- 2) A copy of each signed agreement between applicant and lessor(s), disclosing its terms. You must provide an agreement with each lessor with whom you conduct or intend to conduct business.
- 3) Disclosure of fees paid to applicant by any lessor(s).

Lease facilitators must submit a different application for each separate business location. A lease facilitator's licensed location must be physically located within the State of Texas.

CERTIFICATION: The application must be signed by an authorized agent and notarized. By signing this application, the applicant swears under penalty of perjury that:

- 1) All statements on the application and all attachments to it are true and complete.
- 2) Applicant is not delinquent in any court-ordered child support.
- 3) Applicant has complied with all applicable state laws and municipal ordinances. This includes (where applicable) licensing by other state agencies or municipalities, zoning ordinances, etc.

WHEN YOU HAVE COMPLETED THE APPLICATION FORM AND HAVE GATHERED ALL ATTACHMENTS, SUBMIT BY MAIL TO:

IF PAYING BY CHECK/MONEY ORDER:

**MOTOR VEHICLE DIVISION
PO BOX 13044
AUSTIN TX 78711-3044**

IF PAYING BY CREDIT CARD:

**(\$1.00 fee charged)
MOTOR VEHICLE DIVISION
PO BOX 2293
AUSTIN, TX 78768-2293**

APPLICATIONS MAY BE HAND DELIVERED, BUT THAT WILL NOT SPEED UP THE PROCESS AND MAY RESULT IN DELAYS IF PAYING BY CHECK OR MONEY ORDER.

(NOTE: FEES ARE NON-REFUNDABLE)

GENERAL INFORMATION

APPLICATION PROCESSING:

- a) Licenses are issued for two year terms.
- b) Applications are processed in the order received.
- c) If there are no deficiencies, the license is approved and your license is printed and mailed.
- d) If there are deficiencies, the entire application may be returned to you with a list of items to be corrected. Please correct any deficiencies and return the application with all attachments.
- e) To be safe, allow at least one month for processing of your application. Incomplete or inaccurate applications can greatly increase this estimate.
- f) Make a copy of the application and all attachments that are submitted for your records.

CHANGES TO YOUR LICENSE:

You must submit an Application to Amend Motor Vehicle Lessor or Lease Facilitator's License for:

- 1) Adding or deleting lessors or lease facilitators with whom the licensee conducts or intends to conduct business.
- 2) Changes in ownership. Under some circumstances, you may need to file a new application. For example, if you are currently licensed as a Sole Proprietor and become incorporated, you will need to file a new application. If you are a corporation and do a conversion to a Limited Partnership, you will only need to amend your license. Please contact our office in order to complete the appropriate forms.
- 3) Changing the business name or DBA (assumed name).
- 4) Opening, closing, or moving a facility to a new location within the same city limits. You must submit the form within 10 days of the opening, closing or relocation.
- 5) **RELOCATING OUTSIDE THE CITY LIMITS OF YOUR ORIGINAL LOCATION REQUIRES A NEW APPLICATION, FEES, AND ATTACHMENTS.**

DUPLICATE LICENSES: (NOTE: FEES ARE NON-REFUNDABLE)

To request a reprint or a duplicate license please complete form LF901. You may fax this request to 512-465-7310 or mail to Motor Vehicle Division, P.O. Box 2293, Austin, TX 78768-2293. **The fee for this request is \$50.00.**

LICENSE RENEWAL: (NOTE: FEES ARE NON-REFUNDABLE)

- a) Your license is valid for two years.
- b) Renewal fees for lease facilitators are \$750. Lessor license renewal fees vary based on the total number of vehicles leased during the previous license term.
- c) MVD will mail you a renewal notice 75 to 90 days prior to license expiration. You should return your renewal notice, required attachments, and the proper fee(s) at least 45 days prior to expiration to ensure that your license does not expire.
- d) You are responsible for maintaining your license. If you do not receive your renewal notice, contact MVD to obtain one.
- e) **THERE IS NO GRACE PERIOD!** Once your license expires, you should not conduct business as a lessor or lease facilitator.
- f) Penalty fees are assessed if your renewal form is received at MVD more than 30 days after expiration. These penalty fees are 50% of the total license fee for each 30 days of default.

YOU MUST COMPLETE THE RENEWAL WITHIN 90 DAYS OF YOUR EXPIRATION OR YOU WILL HAVE TO REAPPLY.